

Exhibit 12



Private-Space Ltd
c/o Citco B.V.I. Limited
Citco Building
Wickhams Cay, P.O. Box 662
Road Town
Tortola
British Virgin Islands

For the attention of the Directors
Private-Space Limited

19 November 2010

Our Ref. : CJW-SF-ag

Re: Account Nos: M0040311, M0040261 / 967196
Account ID at Fairfield: 05062750, 08730408

Dear Directors,

This letter is in reference to a lawsuit brought by Fairfield Sentry Ltd. and Fairfield Sigma Ltd. (together "**Fairfield**") against HSBC Securities Services (Luxembourg) SA ("**HSSL**") and the Beneficial Owners of the Accounts held in the Name of "**HSBC SSL/PS**".

This letter is aimed at providing you with a brief description of the context in which this lawsuit was filed and the potential impact on the Fund's investments in Fairfield.

By way of background, Fairfield (acting through its liquidators) has initiated various legal proceedings in New York against its investors to restitute amounts that were paid to such investors upon the redemption of their Fairfield shares through a claim for payment by mistake, predicated on the fraudulently reported holdings of Bernard L. Madoff Investment Securities LLC. For this purpose, Fairfield has initiated proceedings against their registered shareholders (banks and financial institutions throughout the world), as well as against the clients of such shareholders who are considered to be the beneficial owners of the payments made by Fairfield.

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Cont. 2.

One lawsuit is directed against HSSL and the beneficial owners of the accounts held in the name of HSSL (without naming them). Fairfield Sentry commenced a lawsuit on April 7, 2010 by filing a Summons with Notice in the Supreme Court of the State of New York, County of New York.

Fairfield Sentry removed the case to the United States District Court, Southern District of New York on September 3, 2010 by filing a Notice of Removal in that court. The case was then referred to the United States Bankruptcy Court, Southern District of New York and has been designated as Adversary Proceeding No. 10-3630. HSSL has moved, on its own behalf, to remand the case to the New York State court in which it was originally filed.

A copy of the Summons with Notice (the "**Summons**") and the Notice of Removal (the "**Notice**") are attached. Unlike the Summons, the Notice identifies Fairfield Sigma (in addition to Fairfield Sentry) as a plaintiff and names as defendants (in addition to HSSL) the "Beneficial Owners of the Accounts Held In the Name of HSBC Securities Services (Luxembourg) SA 1-1000".

Plaintiffs filed a complaint in the Bankruptcy Court on September 21, 2010 (the "**Complaint**"). Plaintiffs filed an affidavit ("**Affidavit of Service**") stating that they sent by International Registered Mail on October 6, 2010 copies of the Complaint addressed separately to both to HSSL and "Beneficial Owners of the Accounts held in the Name of **HSBC SSL/PS**". The Affidavit of Service and Complaint are enclosed. On November 9, 2010, the Bankruptcy Court ordered that the date to respond to the Complaint for all defendants, whether by answer, motion or otherwise, shall be forty-five (45) days from a decision on (or other disposition of) motions to remand that are currently scheduled to be heard on December 15, 2010.

To the extent you received payments from Fairfield that were credited to your account between April 8, 2004 and December 2008, we hereby inform you of this lawsuit and ask you to leave the amount of those payments in the Fund's account.

HSSL previously received a notice (the "**Document Request**") from Fairfield requesting that HSSL produce certain categories of documents, including, among other things, information sufficient to identify beneficial owners of Fairfield. HSSL served objections to the Document Request (the "**Objections**"), and to date has not disclosed any information pursuant to the Document Request. A copy of the Document Request and the Objections are enclosed. Also attached are other papers that have been received by HSSL addressed to "Beneficial Owners of the Accounts Held In the Name of HSBC Securities Services (Luxembourg) SA 1-1000".

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Cont. 3.

We will continue to take all measures we deem appropriate in the interest of HSSL to challenge this and any further or similar claims, as well as any document or other information requests.

Please be advised that the Bank does not represent you or the Fund in this matter, and therefore urges you to seek independent legal advice before deciding what course of action is appropriate for the Fund's position.

Please direct any inquiries or correspondence regarding this letter to:

Saverio Fiorino, at the email address: saveriofiorino@lu.hsbc.com

Yours sincerely

HSBC Securities Services (Luxembourg) S.A.

A handwritten signature in black ink, appearing to be "C. Wilcockson", written over a horizontal line.

C. Wilcockson
Chief Executive Officer

A handwritten signature in black ink, appearing to be "S. Fiorino", written over a horizontal line.

S. Fiorino
Head of Business Development

Encs